

**EXHIBIT B**

DIUC SUBMISSION IN SUPPORT OF  
REQUEST FOR REPARATIONS  
May 17, 2021

**REMEDATION / REPARATION SCHEDULE (MAY 17, 2021)**

1. For the refund/credit of \$232,542 made to the customers at DIUC's January 1, 2018, billing, which was based on the difference between the combined water and sewer 108.9% increase in effect under bond and subject to refund, plus 12% interest. This amount was refunded when the Commission's Order on Rehearing only allowed an 88.5% increase, which became effective January 1, 2018, for service from April 1, 2016 to January 1, 2018 (the duration the 108.9% increase was in effect).
2. The 108.9% increase should have been in effect instead of the 88.5% increase for the period from October 1, 2017 until April 30, 2021, for DIUC to cover the corrected revenue requirement that is consistent with the current Settlement rate increase. The inadequate rate increase since the January 1, 2018 billing for the last quarter of 2017 until the March 1, 2021 effective date of the 108.9% increase, resulted in a revenue shortfall in the combined amount for DIUC's water and wastewater billings of \$668,641 for that period.
3. For the time value of money or carrying costs related to the lost earnings for both the \$232,542 reversal of the January 1, 2018 refund/credit and the \$668,641 revenue shortfall from October 1, 2017 through April 30, 2021, instead of the 12% interest rate required to be paid to customers in the event of overcharges of rates subject to refund, DIUC proposes to use a rate of 9.31% for the undercharges, which is the equity rate allowed by the Commission in this case.
4. If reparations through one-time surcharges are not billed until January 1, 2023 to correct for the delayed 108.9% increase, the weighted average carrying cost rate for billings is 44.4647%. Applying this rate to the \$668,641 revenue shortfall produces carrying costs of \$297,309 or a total reparation of \$965,951. The carrying cost related to the refund/credit reimbursement of \$232,542 also depends upon when the one-time surcharge is approved for billing. If the refund/credit surcharge is not billed until January 1, 2023, the carrying cost rate is 56.063%. Applying that rate to the \$232,542 refund/credit produces \$130,370 for a total refund/credit of \$362,912.
5. To mitigate the impact on customers, DIUC proposes that the two reparation amounts be recovered through separate one-time surcharges billed as soon as possible before January 1, 2023, which would reduce the carrying costs applicable to each surcharge. The refund/credit surcharge should be billed with DIUC's first quarterly billing after the surcharges are approved. DIUC also proposes that the surcharge for the revenue shortfall be billed over four quarters, the first billing at the same time as the refund/credit surcharge and then over the next three quarters.<sup>1</sup>

---

<sup>1</sup> As required, DIUC has kept records of payments by each customer so that precise amounts would be individually calculated and charged to each customer.